

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 265 CORRECTED

Introduced by Business and Labor Committee: Cornett, 45,
Chairperson; Lathrop, 12; McGill, 26; Rogert, 16;
Wallman, 30;

Read first time January 10, 2007

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to the Employment Security Law; to
2 amend sections 48-606, 48-612, 48-663.01, 48-665, and
3 48-665.01, Reissue Revised Statutes of Nebraska, and
4 sections 48-601, 48-602, 48-624, 48-649, 48-652, and
5 48-664, Revised Statutes Cumulative Supplement, 2006;
6 to redefine terms; to authorize the recovery of certain
7 payments; to authorize the disclosure of records;
8 to change provisions relating to the combined tax
9 rate, experience accounts, and overpayments; to create
10 penalties; to provide for joint and several liability;
11 to harmonize provisions; to repeal the original sections;
12 and to outright repeal section 48-649.01, Revised
13 Statutes Cumulative Supplement, 2006.

LB 265 CORRECTED

LB 265 CORRECTED

1 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 48-601, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 48-601 Sections 48-601 to 48-671 and section 5 of this
4 act shall be known and may be cited as the Employment Security Law.

5 Sec. 2. Section 48-602, Revised Statutes Cumulative
6 Supplement, 2006, is amended to read:

7 48-602 For purposes of the Employment Security Law,
8 unless the context otherwise requires:

9 (1) Base period ~~shall mean~~ means the last four completed
10 calendar quarters immediately preceding the first day of an
11 individual's benefit year, except that the commissioner may
12 prescribe by rule and regulation that base period ~~shall mean~~
13 means the first four of the last five completed calendar quarters
14 immediately preceding the first day of an individual's benefit
15 year;

16 (2) Benefits ~~shall mean~~ means the money payments payable
17 to an individual with respect to his or her unemployment;

18 (3) Benefit year, with respect to any individual, ~~shall~~
19 ~~mean~~ means the one-year period beginning with the first day of
20 the first week with respect to which the individual first files
21 a valid claim for benefits, and thereafter the one-year period
22 beginning with the first day of the first week with respect to
23 which the individual next files a valid claim for benefits after
24 the termination of his or her last preceding benefit year. Any
25 claim for benefits made in accordance with section 48-629 shall be

1 deemed to be a valid claim for the purpose of this subdivision if
2 the individual has been paid the wages for insured work required
3 under section 48-627. For the purposes of this subdivision a week
4 with respect to which an individual files a valid claim shall be
5 deemed to be in, within, or during that benefit year which includes
6 the greater part of such week;

7 (4) Calendar quarter ~~shall mean~~ means the period of three
8 consecutive calendar months ending on March 31, June 30, September
9 30, or December 31, or the equivalent thereof as the Commissioner
10 of Labor may by rule and regulation prescribe;

11 (5) Client ~~shall mean~~ means any individual, partnership,
12 limited liability company, corporation, or other legally recognized
13 entity that contracts with a professional employer organization
14 to obtain professional employer services relating to worksite
15 employees through a professional employer agreement;

16 (6) Combined tax ~~shall mean~~ means the employer liability
17 consisting of contributions and the state unemployment insurance
18 tax;

19 (7) Combined tax rate ~~shall mean~~ means the rate which is
20 applied to wages to determine the combined taxes due;

21 (8) Commissioner ~~shall mean~~ means the Commissioner of
22 Labor;

23 (9) Contribution rate ~~shall mean~~ means the percentage of
24 the combined tax rate used to determine the contribution portion of
25 the combined tax;

1 (10) Contributions ~~shall mean~~ means that portion of the
2 combined tax based upon the contribution rate portion of the
3 combined tax rate which is deposited in the state Unemployment
4 Compensation Fund as required by sections 48-648 and 48-649;

5 (11) Department ~~shall mean~~ means the Department of Labor;

6 (12) Employment office ~~shall mean~~ means a free public
7 employment office or branch thereof, operated by this state or
8 maintained as a part of a state-controlled system of public
9 employment offices, including public employment offices operated by
10 an agency of a foreign government;

11 (13) Fund ~~shall mean~~ means the Unemployment Compensation
12 Fund established by section 48-617 to which all contributions and
13 payments in lieu of contributions required and from which all
14 benefits provided shall be paid;

15 (14) Hospital ~~shall mean~~ means an institution which has
16 been licensed, certified, or approved by the Department of Health
17 and Human Services Regulation and Licensure as a hospital;

18 (15) Institution of higher education ~~shall mean~~ means an
19 institution which: (a) Admits as regular students only individuals
20 having a certificate of graduation from a high school or the
21 recognized equivalent of such a certificate; (b) is legally
22 authorized in this state to provide a program of education beyond
23 high school; (c) provides an educational program for which it
24 awards a bachelor's degree or higher or provides a program which
25 is acceptable for full credit toward such a degree, a program of

1 postgraduate or postdoctoral studies, or a program of training to
2 prepare students for gainful employment in a recognized occupation;
3 and (d) is a public or other nonprofit institution; notwithstanding
4 any of the foregoing provisions of this subdivision, all colleges
5 and universities in this state are institutions of higher education
6 for purposes of this section;

7 (16) Insured work ~~shall mean~~ means employment for
8 employers;

9 (17) Leave of absence ~~shall mean~~ means any absence from
10 work: (a) Mutually and voluntarily agreed to by the employer and
11 the employee; (b) mutually and voluntarily agreed to between the
12 employer and the employee's bargaining agent; or (c) to which the
13 employee is entitled to as a matter of state or federal law;

14 (18) Paid vacation leave ~~shall mean~~ means a period of
15 time while employed or following separation from employment in
16 which the individual renders no services to the employer but is
17 entitled to receive vacation pay equal to or exceeding his or her
18 base weekly wage;

19 (19) Payments in lieu of contributions ~~shall mean~~ means
20 the money payments to the Unemployment Compensation Fund required
21 by sections 48-649, 48-652, 48-660.01, and 48-661;

22 (20) Professional employer agreement ~~shall mean~~ means a
23 written professional employer services contract whereby:

24 (a) A professional employer organization agrees to
25 provide payroll services, employee benefit administration, or

1 personnel services for a majority of the employees providing
2 services to the client at a client worksite;

3 (b) The agreement is intended to be ongoing rather than
4 temporary in nature; and

5 (c) Employer responsibilities for worksite employees,
6 including those of hiring, firing, and disciplining, are shared
7 between the professional employer organization and the client
8 by contract. The term professional employer agreement shall not
9 include a contract between a parent corporation, company, or other
10 entity and a wholly owned subsidiary;

11 (21) Professional employer organization ~~shall mean~~
12 means any individual, partnership, limited liability company,
13 corporation, or other legally recognized entity that enters into
14 a professional employer agreement with a client or clients for
15 a majority of a client's workforce at a client worksite. The
16 term professional employer organization ~~shall~~ does not include an
17 insurer as defined in section 44-103 or a temporary help firm;

18 (22) State includes, in addition to the states of the
19 United States of America, any dependency of the United States, the
20 Commonwealth of Puerto Rico, the Virgin Islands, and the District
21 of Columbia;

22 (23) State unemployment insurance tax ~~shall mean~~ means
23 that portion of the combined tax which is based upon the state
24 unemployment insurance tax rate portion of the combined tax rate
25 and which is deposited in the State Unemployment Insurance Trust

1 Fund as required by sections 48-648 and 48-649;

2 (24) State unemployment insurance tax rate ~~shall mean~~
3 means the percentage of the combined tax rate used to determine the
4 state unemployment insurance tax portion of the combined tax;

5 (25) Temporary employee ~~shall mean~~ means an employee of
6 a temporary help firm assigned to work for the clients of such
7 temporary help firm;

8 (26) Temporary help firm ~~shall mean~~ means a firm that
9 hires its own employees and assigns them to clients to support
10 or supplement the client's work force in work situations such as
11 employee absences, temporary skill shortages, seasonal workloads,
12 and special assignments and projects;

13 (27) Unemployed ~~shall mean~~ means an individual during any
14 week in which the individual performs no service and with respect
15 to which no wages are payable to the individual or any week of
16 less than full-time work if the wages payable with respect to
17 such week are less than the individual's weekly benefit amount,
18 but ~~shall~~ does not include any individual on a leave of absence
19 or on paid vacation leave. When an agreement between the employer
20 and a bargaining unit representative does not allocate vacation pay
21 allowance or pay in lieu of vacation to a specified period of time
22 during a period of temporary layoff or plant shutdown, the payment
23 by the employer or his or her designated representative will be
24 deemed to be wages as defined in this section in the week or weeks
25 the vacation is actually taken;

1 (28) Unemployment Trust Fund ~~shall mean~~ means the trust
2 fund in the Treasury of the United States of America established
3 under section 904 of the federal Social Security Act, 42 U.S.C.
4 1104, as such section existed on March 2, 2001, which receives
5 credit from the state Unemployment Compensation Fund;

6 (29) Wages, except with respect to services performed
7 in employment as provided in subdivisions (4)(c) and (d) of
8 section 48-604, ~~shall mean~~ means all remuneration for personal
9 services, including commissions and bonuses, remuneration for
10 personal services paid under a contract of hire, and the cash
11 value of all remunerations in any medium other than cash. The
12 reasonable cash value of remuneration in any medium other than
13 cash shall be estimated and determined in accordance with rules
14 and regulations prescribed by the commissioner. After December
15 31, 1985, wages ~~shall include~~ includes tips which are received
16 while performing services which constitute employment and which are
17 included in a written statement furnished to the employer pursuant
18 to section 6053(a) of the Internal Revenue Code as defined in
19 section 49-801.01.

20 With respect to services performed in employment in
21 agricultural labor as is provided in subdivision (4)(c) of section
22 48-604, ~~or in domestic service as is provided in subdivision (4)(d)~~
23 ~~of section 48-604,~~ wages ~~shall mean~~ means cash remuneration and the
24 cash value of commodities not intended for personal consumption by
25 the worker and his or her immediate family for such services. With

1 respect to services performed in employment in domestic service as
2 is provided in subdivision (4) (d) of section 48-604, wages means
3 cash remuneration for such services.

4 The term wages ~~shall~~ does not include:

5 (a) The amount of any payment, including any amount paid
6 by an employer for insurance or annuities or into a fund to
7 provide for such payment, made to, or on behalf of, an individual
8 in employment or any of his or her dependents under a plan
9 or system established by an employer which makes provision for
10 such individuals generally or for a class or classes of such
11 individuals, including any amount paid by an employer for insurance
12 or annuities or into a fund to provide for any such payment, on
13 account of (i) sickness or accident disability, except, in the case
14 of payments made to an employee or any of his or her dependents,
15 this subdivision (i) shall exclude from wages only payments which
16 are received under a workers' compensation law, (ii) medical and
17 hospitalization expenses in connection with sickness or accident
18 disability, or (iii) death;

19 (b) The payment by an employer, without deduction from
20 the remuneration of the employee, of the tax imposed upon an
21 employee under section 3101 of the Internal Revenue Code as defined
22 in section 49-801.01;

23 (c) Any payment on account of sickness or accident
24 disability, or medical or hospitalization expenses in connection
25 with sickness or accident disability, made by an employer to, or

1 on behalf of, an individual after the expiration of six calendar
2 months following the last calendar month in which such individual
3 worked for such employer;

4 (d) Any payment made to, or on behalf of, an individual
5 or his or her beneficiary (i) from or to a trust described in
6 section 401(a) of the Internal Revenue Code as defined in section
7 49-801.01 which is exempt from tax under section 501(a) of the
8 Internal Revenue Code as defined in section 49-801.01 at the time
9 of such payment unless such payment is made to an employee of the
10 trust as remuneration for services rendered as such employee and
11 not as a beneficiary of the trust or (ii) under or to an annuity
12 plan which, at the time of such payment, meets the requirements
13 of section 401 of the Internal Revenue Code as defined in section
14 49-801.01;

15 (e) Any payment made to, or on behalf of, an employee
16 or his or her beneficiary (i) under a simplified employee pension
17 as defined by the commissioner, (ii) under or to an annuity
18 contract as defined by the commissioner, other than a payment
19 for the purchase of such contract which is made by reason of
20 a salary reduction agreement, whether evidenced by a written
21 instrument or otherwise, (iii) under or to an exempt governmental
22 deferred compensation plan as defined by the commissioner, (iv)
23 to supplement pension benefits under a plan or trust, as defined
24 by the commissioner, to take into account some portion or all of
25 the increase in the cost of living since retirement, but only if

1 such supplemental payments are under a plan which is treated as a
2 welfare plan, or (v) under a cafeteria benefits plan;

3 (f) Remuneration paid in any medium other than cash to an
4 individual for service not in the course of the employer's trade or
5 business;

6 (g) Benefits paid under a supplemental unemployment
7 benefit plan which satisfies the eight points set forth in Internal
8 Revenue Service Revenue Ruling 56-249 as the ruling existed on
9 March 2, 2001, and is in compliance with the standards set forth in
10 Internal Revenue Service Revenue Rulings 58-128 and 60-330 as the
11 rulings existed on March 2, 2001; and

12 (h) Remuneration for service performed in the employ of
13 any state in the exercise of his or her duties as a member of the
14 Army National Guard or Air National Guard or in the employ of the
15 United States of America as a member of any military reserve unit;

16 (30) Week ~~shall mean~~ means such period of seven
17 consecutive days as the commissioner may by rule and regulation
18 prescribe;

19 (31) Week of unemployment with respect to any individual
20 ~~shall mean~~ means any week during which he or she performs less than
21 full-time work and the wages payable to him or her with respect to
22 such week are less than his or her weekly benefit amount;

23 (32) Wholly owned subsidiary means a corporation,
24 company, or other entity which has eighty percent or more of
25 its outstanding voting stock or membership owned or controlled,

1 directly or indirectly, by the parent entity; and

2 (33) Worksite employee shall ~~mean~~ means a person
3 receiving wages or benefits from a professional employer
4 organization pursuant to the terms of a professional employer
5 agreement for work performed at a client's worksite.

6 Sec. 3. Section 48-606, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 48-606 (1) It shall be the duty of the Commissioner of
9 Labor to administer the Employment Security Law. He or she shall
10 have the power and authority to employ such persons, make such
11 expenditures, require such reports, make such investigations, and
12 take such other action as he or she deems necessary or suitable to
13 that end if the same are consistent with the Employment Security
14 Law. The commissioner shall determine his or her own organization
15 and methods of procedure in accordance with such law and shall
16 have an official seal which shall be judicially noticed. Not
17 later than the thirty-first day of December of each year, the
18 commissioner shall submit to the Governor a report covering the
19 administration and operation of such law during the preceding
20 fiscal year and shall make such recommendations for amendments to
21 such law as he or she deems proper. Such report shall include a
22 balance sheet of the money in the fund in which there shall be
23 provided, if possible, a reserve against the liability in future
24 years to pay benefits in excess of the then current contributions,
25 which reserve shall be set up by the commissioner in accordance

1 with accepted actuarial principles on the basis of statistics of
2 employment, business activity, and other relevant factors for the
3 longest possible period. Whenever the commissioner believes that
4 a change in contribution or benefit rates will become necessary
5 to protect the solvency of the fund, he or she shall promptly
6 inform the Governor and the Clerk of the Legislature thereof and
7 make recommendations with respect thereto. Each member of the
8 Legislature shall receive a copy of such information by making a
9 request for it to the commissioner.

10 (2) The commissioner may establish a schedule of fees
11 to recover the cost of services including, but not limited to,
12 copying, preparation of forms and other materials, responding to
13 inquiries for information, payments for returned check charges
14 and electronic payments not accepted, and furnishing publications
15 prepared by the commissioner pursuant to the Employment Security
16 Law. Fees received pursuant to this subsection shall be deposited
17 in the Employment Security Administration Fund.

18 (3) Nothing in this section shall be construed to
19 allow the department to charge any fee for making a claim
20 for unemployment benefits or receiving assistance from the
21 state employment service established pursuant to section 48-662
22 when performing functions within the purview of the federal
23 Wagner-Peyser Act, 29 U.S.C. 49 et seq., as amended.

24 Sec. 4. Section 48-612, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 48-612 (1) Each employer, whether or not subject to
2 the Employment Security Law, shall keep true and accurate work
3 records containing such information as the Commissioner of Labor
4 may prescribe. Such records shall be open to inspection and
5 be subject to being copied by the commissioner or his or her
6 authorized representatives at any reasonable time and as often as
7 may be necessary. The commissioner and the appeal tribunal may
8 require from any such employer any sworn or unsworn reports, with
9 respect to persons employed by it, which he, she, or it deems
10 necessary for the effective administration of such law. ~~Information~~
11 Except as otherwise provided in section 5 of this act, information
12 thus obtained or obtained from any individual pursuant to the
13 administration of such law, shall be held confidential, ~~except~~
14 ~~to the extent necessary for the proper presentation of the contest~~
15 ~~of a claim, and shall not be published or be open to public~~
16 ~~inspection, other than to public employees in the performance of~~
17 ~~their public duties, in any manner revealing the individual's or~~
18 ~~employing unit's identity, except that (a) any claimant, or his or~~
19 ~~her legal representative, at a hearing before an appeal tribunal or~~
20 ~~court shall be supplied with information from such records to the~~
21 ~~extent necessary for the proper presentation of his or her claim~~
22 ~~and (b) the Nebraska Workers' Compensation Court may use the names,~~
23 ~~addresses, and identification numbers of employers for purposes of~~
24 ~~enforcement of the Nebraska Workers' Compensation Act.~~
25 (2) Any employee of the commissioner who violates any

1 provision of sections 48-606 to 48-616 or section 5 of this act
2 shall be guilty of a Class III misdemeanor.

3 (3) All letters, reports, communications, or any other
4 matters, either oral or written, from an employer or his or her
5 workers to each other or to the commissioner or any of his or her
6 agents, representatives, or employees which shall have been written
7 or made in connection with the requirements and administration
8 of the Employment Security Law, or the rules and regulations
9 thereunder, shall be absolutely privileged and shall not be made
10 the subject matter or basis for any suit for slander or libel in
11 any court of this state, unless the same be false in fact and
12 malicious in intent.

13 Sec. 5. (1) Information obtained pursuant to subsection
14 (1) of section 48-612 may be disclosed under the following
15 circumstances:

16 (a) To the extent necessary for the proper presentation
17 of the contest of an unemployment benefit claim or tax appeal.
18 Any claimant or employer or representative of a claimant or
19 employer, as a party before an appeal tribunal or court regarding
20 an unemployment claim or tax appeal, shall be supplied with
21 information obtained in the administration of the Employment
22 Security Law, to the extent necessary for the proper presentation
23 of his, her, or its claim or appeal;

24 (b) The Nebraska Workers' Compensation Court may use
25 the names, addresses, and identification numbers of employers for

1 purposes of enforcement of the Nebraska Workers' Compensation Act;

2 (c) Appeals records and decisions rendered under
3 the Employment Security Law and designated as precedential
4 determinations by the commissioner on the coverage of employers,
5 employment, wages and benefit eligibility, if all social security
6 account numbers have been removed and such disclosure is otherwise
7 consistent with federal and state law;

8 (d) To a public official for use in the performance of
9 his or her official duties. For purposes of this subdivision,
10 performance of official duties means the administration
11 or enforcement of law or the execution of the official
12 responsibilities of a federal, state, or local elected official.
13 Administration of law includes research related to the law
14 administered by the public official. Execution of official
15 responsibilities does not include solicitation of contributions or
16 expenditures to or on behalf of a candidate for public office or
17 to a political party;

18 (e) To an agent or contractor of a public official
19 to whom disclosure is permissible under subdivision (d) of this
20 section;

21 (f) Information collected exclusively for statistical
22 purposes under a cooperative agreement with the federal Bureau of
23 Labor Statistics. This subdivision does not restrict or impose any
24 condition on the transfer of any other information to the federal
25 Bureau of Labor Statistics under an agreement, or the federal

1 Bureau of Labor Statistics' disclosure or use of such information;

2 and

3 (g) In response to a court order.

4 (2) Information about an individual or employer obtained

5 pursuant to subsection (1) of section 48-612 may be disclosed to:

6 (a) One who acts as an agent for the individual or

7 employer when:

8 (i) The agent presents a written release from the

9 individual or employer, where practicable, or other evidence of

10 authority to act on behalf of the individual or employer;

11 (ii) An elected official who is performing constituent

12 services if the official presents reasonable evidence that the

13 individual or employer has authorized such disclosure; or

14 (iii) An attorney who presents written evidence that he

15 or she is representing the individual or employer in a matter

16 arising under the Employment Security Law; or

17 (b) A third party or its agent carrying out the

18 administration or evaluation of a public program, if that third

19 party or agent obtains a written release from the individual or

20 employer to whom the information pertains. To constitute informed

21 consent, the release shall be signed and shall include a statement:

22 (i) Specifically identifying the information that is to

23 be disclosed;

24 (ii) That state government files will be accessed to

25 obtain that information;

1 (iii) Identifying the specific purpose or purposes for
2 which the information is sought and that information obtained under
3 the release will only be used for that purpose or purposes; and

4 (iv) Identifying and describing all the parties who may
5 receive the information disclosed.

6 (3) Information obtained pursuant to subsection (1) of
7 section 48-612 may be disclosed under the following circumstances:

8 (a) Information about an individual or employer shall
9 only be disclosed to the respective individual or employer;

10 (b) To a local, state, or federal governmental official
11 other than a clerk of court, attorney, or notary public acting on
12 behalf of a litigant, with authority to obtain such information by
13 subpoena under state or federal law; and

14 (c) Disclosures to a federal official for purposes of
15 unemployment compensation program oversight and audits, including
16 disclosures under 20 C.F.R. part 601 and 29 C.F.R. parts 96 and 97
17 as they existed on January 1, 2007.

18 (4) If the purpose for which information is provided
19 under subsections (1), (2), or (3) of this section is not
20 related to the administration of the Employment Security Law
21 or the unemployment insurance compensation program of another
22 jurisdiction, the commissioner shall recover the costs of providing
23 such information from the requesting individual or entity prior to
24 providing the information to such individual or entity unless the
25 costs are nominal or the entity is a governmental agency which the

1 commissioner has determined provides reciprocal services.

2 (5) Any person who receives information under subsection
3 (1) or (2) of this section and rediscloses such information for any
4 purpose other than the purpose for which it was originally obtained
5 shall be guilty of a Class III misdemeanor.

6 Sec. 6. Section 48-624, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 48-624 (1) For any benefit year beginning on or after
9 January 1, 2001, through December 31, 2005, an individual's weekly
10 benefit amount shall be one-half his or her average weekly wage
11 rounded down to the nearest even whole dollar amount, but shall
12 not exceed one-half of the state average weekly wage as annually
13 determined under section 48-121.02.

14 (2) For any benefit year beginning on or after January
15 1, 2006, through December 31, 2007, an individual's weekly benefit
16 amount shall be one-half of his or her average weekly wage rounded
17 down to the nearest even whole dollar amount, but shall not exceed
18 two hundred eighty-eight dollars per week.

19 (3) For any benefit year beginning on or after January
20 1, 2008, through December 31, 2010, an individual's weekly benefit
21 amount shall be one-half of his or her average weekly wage rounded
22 down to the nearest even whole dollar amount, but shall not exceed
23 the lesser of one-half of the state average weekly wage as annually
24 determined under section 48-121.02 or the previous year's maximum
25 weekly benefit amount plus ten dollars per week.

1 (4) For any benefit year beginning on or after January
 2 1, 2011, an individual's weekly benefit amount shall be one-half
 3 of his or her average weekly wage rounded down to the nearest even
 4 whole dollar amount, but shall not exceed one-half of the state
 5 average weekly wage as annually determined under section 48-121.02.

6 ~~(5) If the state's reserve ratio on September 30, 2008,~~
 7 ~~or September 30, 2009, is less than four-tenths percent and~~
 8 ~~an emergency solvency surcharge is imposed pursuant to section~~
 9 ~~48-649.01 for such year, then the maximum weekly benefit amount for~~
 10 ~~the following calendar year shall not be increased over the then~~
 11 ~~current maximum weekly benefit amount.~~

12 ~~(6)~~ (5) For purposes of this section, an individual's
 13 average weekly wage shall equal the wages paid for insured work in
 14 the highest quarter of the base period divided by thirteen.

15 Sec. 7. Section 48-649, Revised Statutes Cumulative
 16 Supplement, 2006, is amended to read:

17 48-649 The commissioner shall, for each calendar year,
 18 determine the combined tax rate applicable to each employer on
 19 the basis of his or her actual experience in the payment of
 20 contributions and with respect to benefits charged against his or
 21 her separate experience account, in accordance with the following
 22 requirements:

23 (1) The commissioner shall, by December 1 of each
 24 calendar year, and based upon information available through the
 25 department, determine the state unemployment insurance tax rate for

1 the following year. The state unemployment insurance tax rate shall
2 be zero percent if:

3 (a) The average balance in the State Unemployment
4 Insurance Trust Fund at the end of any three months in the
5 preceding calendar year is greater than one percent of state
6 taxable wages for the same preceding year;

7 (b) The balance in the State Unemployment Insurance Trust
8 Fund equals or exceeds thirty percent of the average month end
9 balance of the state's account in the Unemployment Trust Fund for
10 the three lowest calendar months in the preceding year; or

11 (c) The state advisory council determines that a zero
12 percent state unemployment insurance tax rate is in the best
13 interests of preserving the integrity of the state's account in the
14 Unemployment Trust Fund;

15 ~~(2)~~ (2) (a) If the state unemployment insurance tax rate
16 is not zero percent as determined in this section, the combined
17 tax rate shall be divided so that not less than eighty percent
18 of the combined tax rate equals the contribution rate and not
19 more than twenty percent of the combined tax rate equals the
20 state unemployment insurance tax rate except for employers who are
21 assigned a combined tax rate of five and four-tenths percent or
22 more. For those employers, the state unemployment insurance tax
23 rate shall equal zero and their combined tax rate shall equal their
24 contribution rate.

25 (b) When the state unemployment insurance tax rate is

1 determined to be zero percent pursuant to subdivision (1) of this
2 section, the contribution rate for all employers shall equal one
3 hundred percent of the combined tax rate;

4 (3) In calendar year 2005, an employer's combined tax
5 rate shall be three and five-tenths percent of his or her annual
6 payroll unless and until (a) benefits have been payable from
7 and chargeable to his or her experience account throughout the
8 preceding one calendar year and (b) contributions have been payable
9 to the fund and credited to his or her experience account with
10 respect to the two preceding calendar years. Subject to fair and
11 reasonable rules and regulations of the commissioner issued with
12 due regard for the solvency of the fund, in calendar year 2005
13 the combined tax rate required of each employer who meets the
14 requirements of subdivisions (a) and (b) of this subdivision shall
15 be based directly on his or her contributions to and benefit
16 experience of his or her experience account and shall be determined
17 by the commissioner for each calendar year at its beginning. Such
18 rate shall not be greater than three and five-tenths percent of his
19 or her annual payroll if his or her experience account exhibits a
20 positive balance as of the beginning of such calendar year, but for
21 any employer who has been subject to the payment of contributions
22 for any two preceding calendar years, regardless of whether such
23 years are consecutive, and whose experience account exhibits a
24 negative balance as of the beginning of such calendar year, the
25 rate shall be greater than three and five-tenths percent of his

1 or her annual payroll but not greater than five and four-tenths
2 percent of his or her annual payroll until such time as the
3 experience account exhibits a positive balance, and thereafter the
4 rate shall not be greater than three and five-tenths percent of
5 his or her annual payroll. For calendar year 2005, the standard
6 rate shall be five and four-tenths percent of the employer's annual
7 payroll. As used in this subdivision, standard rate shall mean the
8 rate from which all reduced rates are calculated;

9 (4) (a) Effective January 1, 2006, an employer's combined
10 tax rate (i) for employers other than employers engaged in the
11 construction industry shall be the lesser of the state's average
12 combined tax rate as determined pursuant to subdivisions (4) (e),
13 ~~and (4) (f), and (4) (g)~~ of this section or two and five-tenths
14 percent and (ii) for employers in the construction industry shall
15 be the category twenty rate determined pursuant to subdivisions
16 (4) (e) and (4) (f) of this section, unless and until:

17 (A) Benefits have been payable from and chargeable to his
18 or her experience account throughout the preceding four calendar
19 quarters; and

20 (B) Contributions have been payable to the fund and
21 credited to his or her experience account with respect to each of
22 the two preceding four-calendar-quarter periods.

23 For purposes of this subdivision (4) (a), employers
24 engaged in the construction industry shall mean all employers
25 primarily engaged in business activities classified as sector

1 23 business activities under the North American Industrial
2 Classification System.

3 (b) In no event shall the combined tax rate for employers
4 who fail to meet the requirements of subdivision (4)(a) of this
5 section be less than one and twenty-five hundredths percent.

6 (c) For any employer who has not been subject
7 to the payment of contributions during each of the two
8 four-calendar-quarter periods ending on September 30 of any
9 year, but has been subject to the payment of contributions
10 for any eight preceding calendar quarters, in any two
11 four-calendar-quarter periods, regardless of whether such calendar
12 quarters four-calendar-quarter periods are consecutive, and whose
13 such employer's combined tax rate for the following tax year shall
14 be:

15 (i) The highest combined tax rate for employers with a
16 positive experience account balance if the employer's experience
17 account balance exhibits a positive balance as of September 30 of
18 the year of rate computation; or

19 (ii) The standard rate if the employer's experience
20 account exhibits a negative balance as of September 30 of the
21 year of rate computation. ~~the rate shall be equal to or greater~~
22 ~~than the highest combined tax rate for positive experience account~~
23 ~~balance rated employers on his or her annual payroll but not~~
24 ~~greater than the standard rate, until such time as the experience~~
25 ~~account exhibits a positive balance. As used in the rate under this~~

1 ~~subdivision, standard rate shall mean the rate assigned to category~~
2 ~~twenty for that year. For calendar years 2006 and thereafter, the~~
3 ~~standard rate shall be not less than five and four-tenths percent~~
4 ~~of the employer's annual payroll.~~

5 (d) Beginning with rate calculations for calendar year
6 2006 and each year thereafter, the combined tax rate for employers
7 who meet the requirements of subdivision (4)(a) of this section
8 shall be calculated according to subdivisions (4)(e), and (4)(f),
9 (4)(g) of this section and shall be based upon the employer's
10 experience rating record and determined from the employer's reserve
11 ratio, which is the percent obtained by dividing the amount by
12 which, if any, the employer's contributions credited from the time
13 the employer first or most recently became an employer, whichever
14 date is later, and up to and including September 30 of the year
15 the rate computation is made, plus any part of the employer's
16 contributions due for that year paid on or before October 31
17 of such year, exceed the employer's benefits charged during the
18 same period, by the employer's average annual taxable payroll for
19 the sixteen-consecutive-calendar-quarter period ending September
20 30 of the year in which the rate computation is made. For an
21 employer with less than sixteen consecutive calendar quarters of
22 contribution experience, the employer's average taxable payroll
23 shall be determined based upon the four-calendar-quarter periods
24 for which contributions are payable.

25 (e) Each eligible experience rated employer shall be

1 assigned to one of twenty rate categories with a corresponding
2 experience factor as follows:

3	Category	Experience Factor
4	1	0.15 0.00
5	2	0.25
6	3	0.40
7	4	0.45
8	5	0.50
9	6	0.60
10	7	0.65
11	8	0.70
12	9	0.80
13	10	0.90
14	11	0.95
15	12	1.00
16	13	1.05
17	14	1.10
18	15	1.15 1.20
19	16	1.30 1.35
20	17	1.50 1.55
21	18	1.80
22	19	2.15
23	20	2.60

24 Eligible experience rated employers shall be assigned
25 to rate categories from highest to lowest according to their
26 experience reserve ratio with category one being assigned to

1 accounts with the highest reserve ratios and category twenty being
 2 assigned to accounts with the lowest reserve ratios. Each category
 3 shall be limited to no more than five percent of the state's total
 4 taxable payroll, except that:

5 (i) Any employer which has a portion of its taxable wages
 6 fall into one category and a portion into the next higher category
 7 shall be assigned to the lower category; and

8 (ii) No employer with a reserve ratio calculated to five
 9 decimal places equal to another employer similarly calculated shall
 10 be assigned to a higher rate than the employer to which it has the
 11 equal reserve ratio.

12 (f) The state's reserve ratio shall be calculated by
 13 dividing the amount available to pay benefits in the Unemployment
 14 Trust Fund and the State Unemployment Insurance Trust Fund as of
 15 September 30, 2005, and each September 30 thereafter, less any
 16 outstanding obligations and amounts appropriated therefrom by the
 17 state's total wages from the four calendar quarters ending on
 18 such September 30. For purposes of this section, total wages shall
 19 ~~mean~~ means all remuneration paid by an employer in employment.
 20 The state's reserve ratio shall be applied to the table in this
 21 subdivision to determine the yield factor for the upcoming rate
 22 year.

23 State's Reserve Ratio	Yield Factor
24 1.45 percent and above	= 0.70
25 1.30 percent up to but not including 1.45	= 0.75

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1	1.15 percent up to but not including 1.30	=	0.80
2	1.00 percent up to but not including 1.15	=	0.90
3	0.85 percent up to but not including 1.00	=	1.00
4	0.70 percent up to but not including 0.85	=	1.10
5	0.60 percent up to but not including 0.70	=	1.20
6	0.50 percent up to but not including 0.60	=	1.25
7	0.45 percent up to but not including 0.50	=	1.30
8	0.40 percent up to but not including 0.45	=	1.35
9	0.35 percent up to but not including 0.40	=	1.40
10	0.30 percent up to but not including 0.35	=	1.45
11	Below 0.30 percent	=	1.50

12 Once the yield factor for the upcoming rate year has
 13 been determined, it is multiplied by the amount of unemployment
 14 benefits paid from combined tax during the four calendar quarters
 15 ending September 30 of the preceding year. The resulting figure is
 16 the planned yield for the rate year. The planned yield is divided
 17 by the total taxable wages for the four calendar quarters ending
 18 September 30 of the previous year and carried to ~~three~~ four decimal
 19 places to create the average combined tax rate for the rate year.

20 (g) The average combined tax rate is assigned to rate
 21 category twelve as established in subdivision (4)(e) of this
 22 section. Rates for each of the remaining nineteen categories are
 23 determined by multiplying the average combined tax rate by the
 24 experience factor associated with each category and carried to
 25 four decimal places. Employers who are delinquent in filing their

1 combined tax reports as of ~~the date of rate computation~~ October 31
2 of any year shall be assigned to category twenty for the following
3 calendar year unless the delinquency is corrected prior to December
4 31 of the year of rate calculation; and +

5 (h) As used in this subdivision (4), standard rate shall
6 mean the rate assigned to category twenty for that year. For
7 calendar years 2006 and thereafter, the standard rate shall be not
8 less than five and four-tenths percent of the employer's annual
9 taxable payroll.

10 (5) Any employer may at any time make voluntary
11 contributions up to the amount necessary to qualify for one rate
12 category reduction, additional to the required contributions,
13 to the fund to be credited to his or her account. Voluntary
14 contributions received after March 10, 2005, for rate year 2005 or
15 January 10 for rate year 2006 and thereafter shall not be used in
16 rate calculations for the same calendar year;

17 (6) As used in sections 48-648 to 48-654, the term
18 payroll ~~shall mean~~ means the total amount of wages during a
19 calendar year, except as otherwise provided in section 48-654, by
20 which the combined tax was measured; and

21 (7)(a) The state or any of its instrumentalities shall
22 make payments in lieu of contributions in an amount equal to
23 the full amount of regular benefits plus one-half of the amount
24 of extended benefits paid during each calendar quarter that is
25 attributable to service in employment of the state or any of its

1 instrumentalities. The commissioner after the end of each calendar
2 quarter shall notify any state instrumentality or other public
3 employer of the amount of regular benefits and one-half the amount
4 of extended benefits paid that are attributable to service in its
5 employment and the instrumentality or public employer so notified
6 shall reimburse the fund within thirty days after receipt of such
7 notice. The commissioner may require that any employer whose annual
8 payroll for either of the two preceding calendar years has equaled
9 or exceeded five hundred thousand dollars to pay the reimbursement
10 by an electronic method approved by the commissioner, except when
11 the employer establishes to the satisfaction of the commissioner
12 that payment of the reimbursement by an electronic method would
13 work a hardship on the employer;

14 (b) After December 31, 1977, the state or any of its
15 political subdivisions and any instrumentality of one or more of
16 the foregoing or any other governmental entity for which services
17 in employment as is provided by subdivision (4)(a) of section
18 48-604 are performed shall be required to pay contributions and
19 after December 31, 1996, combined tax on wages paid for services
20 rendered in its or their employment on the same basis as any
21 other employer who is liable for the payment of combined tax under
22 the Employment Security Law, unless the state or any political
23 subdivision thereof and any instrumentality of one or more of the
24 foregoing or any other governmental entity for which such services
25 are performed files with the commissioner its written election not

1 later than January 31, 1978, or if such employer becomes subject
2 to this section after January 1, 1978, not later than thirty
3 days after such subjectivity begins, to become liable to make
4 payments in lieu of contributions in an amount equal to the full
5 amount of regular benefits plus one-half of the amount of extended
6 benefits paid during each calendar quarter that is attributable to
7 service in employment of such electing employer prior to December
8 31, 1978, and in an amount equal to the full amount of regular
9 benefits plus the full amount of extended benefits paid during each
10 calendar quarter that is attributable to service in employment of
11 such electing employer after January 1, 1979. Eligible employers
12 electing to make payments in lieu of contributions shall not
13 be liable for state unemployment insurance tax payments. The
14 commissioner, after the end of each calendar quarter, shall notify
15 any such employer that has so elected of the amount of benefits for
16 which it is liable to pay pursuant to its election that have been
17 paid that are attributable to service in its employment and the
18 employer so notified shall reimburse the fund within thirty days
19 after receipt of such notice; and

20 (c) Any employer which makes an election in accordance
21 with subdivision (b) of this subdivision to become liable for
22 payments in lieu of contributions shall continue to be liable for
23 payments in lieu of contributions for all benefits paid based upon
24 wages paid for service in employment of such employer while such
25 election is effective and such election shall continue until such

1 employer files with the commissioner, not later than December 1
2 of any calendar year, a written notice terminating its election
3 as of December 31 of that year and thereafter such employer shall
4 again be liable for the payment of contributions and for the
5 reimbursement of such benefits as may be paid based upon wages paid
6 for services in employment of such employer while such election was
7 effective.

8 Sec. 8. Section 48-652, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 48-652 (1)(a) A separate experience account shall be
11 established for each employer who is liable for payment of
12 contributions. Whenever and wherever in the Employment Security
13 Law the terms reserve account or experience account are used,
14 unless the context clearly indicates otherwise, such terms shall be
15 deemed interchangeable and synonymous and reference to either of
16 such accounts shall refer to and also include the other.

17 (b) A separate reimbursement account shall be established
18 for each employer who is liable for payments in lieu of
19 contributions. All benefits paid with respect to service in
20 employment for such employer shall be charged to his or her
21 reimbursement account and such employer shall be billed for and
22 shall be liable for the payment of the amount charged when billed
23 by the commissioner. Payments in lieu of contributions received
24 by the commissioner on behalf of each such employer shall be
25 credited to such employer's reimbursement account, and two or more

1 employers who are liable for payments in lieu of contributions may
2 jointly apply to the commissioner for establishment of a group
3 account for the purpose of sharing the cost of benefits paid that
4 are attributable to service in the employ of such employers. The
5 commissioner shall prescribe such rules and regulations as he or
6 she deems necessary with respect to applications for establishment,
7 maintenance, and termination of group accounts authorized by this
8 subdivision.

9 (2) All contributions paid by an employer shall be
10 credited to the experience account of such employer. State
11 unemployment insurance tax payments shall not be credited to
12 the experience account of each employer. Partial payments of
13 combined tax shall be credited so that at least eighty percent
14 of the combined tax payment excluding interest and penalty is
15 credited first to contributions due. In addition to contributions
16 credited to the experience account, each employer's account shall
17 be credited as of June 30 of each calendar year with interest
18 at a rate determined by the commissioner based on the average
19 annual interest rate paid by the Secretary of the Treasury of
20 the United States of America upon the state's account in the
21 Unemployment Trust Fund for the preceding calendar year multiplied
22 by the balance in his or her experience account at the beginning
23 of such calendar year. If the total credits as of such date to
24 all employers' experience accounts are equal to or greater than
25 ninety percent of the total amount in the Unemployment Compensation

1 Fund, no interest shall be credited for that year to any employer's
2 account. Contributions with respect to prior years which are
3 received on or before January 31 of any year shall be considered
4 as having been paid at the beginning of the calendar year. All
5 voluntary contributions which are received on or before ~~March~~
6 January 10 of any year shall be considered as having been paid at
7 the beginning of the calendar year.

8 (3)(a) Each experience account shall be charged only
9 for benefits based upon wages paid by such employer. No benefits
10 shall be charged to the experience account of any employer if (i)
11 such benefits were paid on the basis of a period of employment
12 from which the claimant (A) left work voluntarily without good
13 cause, (B) left work voluntarily due to a nonwork-connected illness
14 or injury, (C) left work voluntarily with good cause to escape
15 abuse as defined in section 42-903 between household members as
16 provided in subdivision (1) of section 48-628.01, (D) left work
17 from which he or she was discharged for misconduct connected with
18 his or her work, or (E) left work voluntarily and is entitled to
19 unemployment benefits without disqualification in accordance with
20 subdivision (3) or (5) of section 48-628.01 and (ii) the employer
21 has filed timely notice of the facts on which such exemption is
22 claimed in accordance with rules and regulations prescribed by
23 the commissioner. No benefits shall be charged to the experience
24 account of any employer if such benefits were paid on the basis
25 of wages paid in the base period that are wages for insured work

1 solely by reason of subdivision (5) (b) of section 48-627.

2 (b) Each reimbursement account shall be charged only for
3 benefits paid that were based upon wages paid by such employer in
4 the base period that were wages for insured work solely by reason
5 of subdivision (5) of section 48-627.

6 (c) Benefits paid to an eligible individual shall be
7 charged against the account of his or her most recent employers
8 within his or her base period against whose accounts the maximum
9 charges hereunder have not previously been made in the inverse
10 chronological order in which the employment of such individual
11 occurred. The maximum amount so charged against the account of any
12 employer, other than an employer for which services in employment
13 as provided in subdivision (4) (a) of section 48-604 are performed,
14 shall not exceed the total benefit amount to which such individual
15 was entitled as set out in section 48-626 with respect to base
16 period wages of such individual paid by such employer plus one-half
17 the amount of extended benefits paid to such eligible individual
18 with respect to base period wages of such individual paid by
19 such employer. The commissioner shall by rules and regulations
20 prescribe the manner in which benefits shall be charged against
21 the account of several employers for whom an individual performed
22 employment during the same quarter or during the same base period.
23 Any benefit check duly issued and delivered or mailed to a claimant
24 and not presented for payment within one year from the date of its
25 issue may be invalidated and the amount thereof credited to the

1 Unemployment Compensation Fund, except that a substitute check may
2 be issued and charged to the fund on proper showing at any time
3 within the year next following. Any charge made to an employer's
4 account for any such invalidated check shall stand as originally
5 made.

6 (4) (a) An employer's experience account shall be deemed
7 to be terminated one calendar year after such employer has ceased
8 to be subject to the Employment Security Law, except that if the
9 commissioner finds that an employer's business is closed solely
10 because of the entrance of one or more of the owners, officers,
11 partners, or limited liability company members or the majority
12 stockholder into the armed forces of the United States, or of any
13 of its allies, after July 1, 1950, such employer's account shall
14 not be terminated and, if the business is resumed within two years
15 after the discharge or release from active duty in the armed forces
16 of such person or persons, the employer's experience account shall
17 be deemed to have been continuous throughout such period.

18 (b) An experience account terminated pursuant to this
19 subsection shall be reinstated if (i) the employer becomes subject
20 again to the Employment Security Law within one calendar year after
21 termination of such experience account and the employer makes a
22 written application for reinstatement of such experience account
23 to the commissioner within two calendar years after termination of
24 such experience account and (ii) the commissioner finds that the
25 employer is operating substantially the same business as prior to

1 the termination of such experience account.

2 (5) All money in the Unemployment Compensation Fund shall
3 be kept mingled and undivided. The payment of benefits to an
4 individual shall in no case be denied or withheld because the
5 experience account of any employer does not have a total of
6 contributions paid in excess of benefits charged to such experience
7 account.

8 (6) A contributory or reimbursable employer shall be
9 relieved of charges if the employer was previously charged for
10 wages and the same wages are being used a second time to establish
11 a new claim as a result of the October 1, 1988, change in the base
12 period.

13 Sec. 9. Section 48-663.01, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 48-663.01 (1) Notwithstanding any other provision of this
16 section, or of ~~sections~~ section 48-627 or 48-663, an individual
17 who willfully fails to disclose amounts earned during any week
18 with respect to which benefits are claimed by him or her or
19 who willfully fails to disclose or has falsified as to any fact
20 which would have disqualified him or her or rendered him or her
21 ineligible for benefits during such week, shall forfeit all or
22 part of his or her benefit rights, as determined by a deputy, with
23 respect to uncharged wage credits accrued prior to the date of such
24 failure or to the date of such falsifications. An appeal may be
25 taken from any such determination in the manner provided in section

1 48-634.

2 (2)(a) If any person liable to repay an overpayment
3 of unemployment benefits resulting from a determination under
4 subsection (1) of this section fails or refuses to repay such
5 overpayment within twelve months after the date the overpayment
6 determination becomes final, the commissioner may issue a levy on
7 salary, wages, or other regular payments due to or received by
8 such person and such levy shall be continuous from the date the
9 levy is served until the amount of the levy is satisfied. Notice
10 of the levy shall be mailed to the person whose salary, wages,
11 or other regular payment if levied upon at his or her last-known
12 address not later than the date that the levy is served. Exemptions
13 or limitations on the amount of salary, wages, or other regular
14 payment that can be garnished or levied upon by a judgment creditor
15 shall apply to levies made pursuant to this section. Appeal of a
16 levy may be made in the manner provided in section 48-634, but such
17 appeal shall not act as a stay of the levy.

18 (b) Any person upon whom a levy is served who fails or
19 refuses to honor the levy without cause may be held liable for the
20 amount of the levy up to the value of the assets of the person
21 liable to repay the overpayment that are under the control of the
22 person upon whom the levy is served at the time of service and
23 thereafter.

24 Sec. 10. Section 48-664, Revised Statutes Cumulative
25 Supplement, 2006, is amended to read:

1 48-664 Any employer, whether or not subject to the
2 Employment Security Law, or any officer or agent of such an
3 employer or any other person who makes a false statement or
4 representation knowing it to be false, or who knowingly fails to
5 disclose a material fact, to prevent or reduce the payment of
6 benefits to any individual entitled thereto, to obtain benefits for
7 an individual not entitled thereto, to avoid becoming or remaining
8 subject to such law, or to avoid or reduce any contribution or
9 other payment required from an employer under sections 48-648
10 and 48-649, or who willfully fails or refuses to make any such
11 contributions or other payment or to furnish any reports required
12 under the Employment Security Law or to produce or permit the
13 inspection or copying of records as required under such law, shall
14 be guilty of a Class III misdemeanor. Each such false statement
15 or representation or failure to disclose a material fact and each
16 day of such failure or refusal shall constitute a separate offense.
17 An individual employer, partner, corporate officer, or member
18 of a limited liability company or limited liability partnership
19 who willfully fails or refuses to make any combined tax payment
20 shall be jointly and severally liable for the payment of such
21 combined tax and any penalties and interest owed thereon. When an
22 unemployment benefit overpayment occurs, in whole or in part, as
23 the result of a violation of this section by an employer, the
24 amount of the overpayment recovered shall not be credited back to
25 such employer's experience account.

1 Sec. 11. Section 48-665, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 48-665 Any person who has received any sum as benefits
4 under the Employment Security Law to which he or she was not
5 entitled shall be liable to repay such sum to the commissioner for
6 the fund. Any such erroneous benefit payments shall be collectible:

7 (1) ~~without~~ Without interest by civil action in the name
8 of the commissioner;

9 (2) ~~by offset against~~ By recoupment from any future
10 benefits payable to the claimant with respect to the benefit year
11 current at the time of such receipt or any benefit year which may
12 commence within three years after the end of such current benefit
13 year, except that no such recoupment by the withholding of future
14 benefits shall be had if such sum was received by such person
15 without fault on his or her part and such recoupment would defeat
16 the purpose of the Employment Security Law or would be against
17 equity and good conscience; or

18 (3) ~~by~~ By setoff against any state income tax refund due
19 the claimant pursuant to sections 77-27,197 to 77-27,209.

20 Sec. 12. Section 48-665.01, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 48-665.01 Any person who has received any sum as benefits
23 to which he or she was not entitled from any agency which
24 administers an employment security law of another state or foreign
25 government and who has been found liable to repay benefits received

1 under such law may be required to repay to the commissioner for
2 such state or foreign government the amount found due. Such amount,
3 without interest, may be collected:

4 (1) ~~by~~ By civil action in the name of the commissioner
5 acting as agent for such agency; ;

6 (2) ~~by offset against~~ By recoupment from any future
7 benefits payable to the claimant under the Employment Security Law
8 for any benefit year which may commence within three years after
9 the claimant was notified such amount was due, except that no such
10 recoupment by the withholding of future benefits shall be had if
11 such sum was received by such person without fault on his or her
12 part and such recoupment would defeat the purpose of the Employment
13 Security Law or would be against equity and good conscience; ;

14 (3) ~~by~~ By setoff against any state income tax refund due
15 the claimant pursuant to sections 77-27,197 to 77-27,209.

16 Sec. 13. Original sections 48-606, 48-612, 48-663.01,
17 48-665, and 48-665.01, Reissue Revised Statutes of Nebraska,
18 and sections 48-601, 48-602, 48-624, 48-649, 48-652, and 48-664,
19 Revised Statutes Cumulative Supplement, 2006, are repealed.

20 Sec. 14. The following section is outright repealed:
21 Section 48-649.01, Revised Statutes Cumulative Supplement, 2006.